

**STATE RISK MANAGEMENT WORKERS COMPENSATION FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2005**

	December-05					September-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Quarter	Month	Market Value	Allocation	Actual	Quarter	FYTD	FY05	Ended	Ended
		Policy		Net ROR	Net ROR					Net	Net	6/30/2005	6/30/2005
<b>LARGE CAP DOMESTIC EQUITY</b>													
<b>Structured Growth</b>													
Los Angeles Capital	127,966	3.4%	4.2%	3.06%	0.85%	126,685	4.3%	4.2%	5.46%	8.68%	7.56%	N/A	N/A
<b>Total Structured Growth</b>	<b>127,966</b>	<b>3.4%</b>	<b>4.2%</b>	<b>3.06%</b>	<b>0.85%</b>	<b>126,685</b>	<b>4.3%</b>	<b>4.2%</b>	<b>5.46%</b>	<b>8.68%</b>	<b>7.56%</b>	<b>N/A</b>	<b>N/A</b>
Russell 1000 Growth				2.98%	-0.31%				4.01%	7.11%	1.68%	N/A	N/A
<b>Structured Value</b>													
LSV	123,957	3.3%	4.2%	1.52%	1.18%	127,560	4.3%	4.2%	5.06%	6.66%	18.35%	N/A	N/A
Russell 1000 Value				1.27%	0.60%				3.88%	5.20%	14.06%	N/A	N/A
<b>Russell 1000 Enhanced Index</b>													
LA Capital	254,202	6.8%	8.3%	2.29%	1.11%	253,021	8.6%	8.3%	6.45%	8.89%	7.93%	N/A	N/A
Russell 1000				2.12%	0.13%				3.95%	6.15%	7.92%	N/A	N/A
<b>S&amp;P 500 Enhanced Index</b>													
Westridge	264,419	7.1%	8.3%	2.10%	0.05%	244,980	8.3%	8.3%	3.64%	5.81%	6.58%	N/A	N/A
S&P 500				2.09%	0.03%				3.60%	5.77%	6.32%	N/A	N/A
<b>Index</b>													
State Street	81,140			2.07%	0.03%	81,159			3.58%	5.72%	6.27%	N/A	N/A
<b>Total Index</b>	<b>81,140</b>	<b>2.2%</b>	<b>2.8%</b>	<b>2.07%</b>	<b>0.03%</b>	<b>81,159</b>	<b>2.8%</b>	<b>2.8%</b>	<b>3.58%</b>	<b>5.72%</b>	<b>6.27%</b>	<b>N/A</b>	<b>N/A</b>
S&P 500				2.09%	0.03%				3.60%	5.77%	6.32%	N/A	N/A
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>851,683</b>	<b>22.8%</b>	<b>27.8%</b>	<b>2.20%</b>	<b>0.64%</b>	<b>833,406</b>	<b>28.2%</b>	<b>27.8%</b>	<b>4.97%</b>	<b>7.27%</b>	<b>8.89%</b>	<b>N/A</b>	<b>N/A</b>
S&P 500				2.09%	0.03%				3.60%	5.77%	6.32%	N/A	N/A
<b>SMALL CAP DOMESTIC EQUITY</b>													
<b>Manager-of-Managers</b>													
SEI	279,552	7.5%	9.3%	0.95%	-0.01%	276,546	9.4%	9.3%	5.46%	6.47%	9.32%	N/A	N/A
Russell 2000 + 200bp				1.64%	-0.29%				5.21%	6.93%	11.64%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>279,552</b>	<b>7.5%</b>	<b>9.3%</b>	<b>0.95%</b>	<b>-0.01%</b>	<b>276,546</b>	<b>9.4%</b>	<b>9.3%</b>	<b>5.46%</b>	<b>6.47%</b>	<b>9.32%</b>	<b>N/A</b>	<b>N/A</b>
Russell 2000				1.13%	-0.46%				4.69%	5.88%	9.45%	N/A	N/A
<b>DOMESTIC FIXED INCOME</b>													
<b>Core Bond</b>													
Western Asset	655,923	17.6%	20.0%	0.28%	1.13%	601,395	20.4%	20.0%	-0.41%	-0.13%	7.14%	N/A	N/A
Lehman Aggregate				0.59%	0.95%				-0.67%	-0.08%	6.80%	N/A	N/A
<b>Index</b>													
Bank of ND	590,143	15.8%	20.0%	0.44%	0.84%	556,047	18.8%	20.0%	-0.84%	-0.41%	4.08%	N/A	N/A
Lehman Gov/Credit (1)				0.60%	0.95%				-0.96%	-0.37%	4.80%	5.82%	7.35%
<b>BBB Average Quality</b>													
Wells Capital (formerly Strong)	654,558	17.5%	20.0%	0.58%	1.06%	594,567	20.2%	20.0%	-1.05%	-0.48%	9.14%	N/A	N/A
Lehman US Credit BAA				0.39%	1.03%				-0.97%	-0.58%	8.60%	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>1,900,625</b>	<b>50.9%</b>	<b>60.0%</b>	<b>0.42%</b>	<b>1.03%</b>	<b>1,752,009</b>	<b>59.4%</b>	<b>60.0%</b>	<b>-0.76%</b>	<b>-0.35%</b>	<b>6.14%</b>	<b>N/A</b>	<b>N/A</b>
Lehman Gov/Credit				0.60%	0.95%				-0.96%	-0.37%	7.26%	N/A	N/A
<b>CASH EQUIVALENTS</b>													
Bank of ND	700,490	18.8%	3.0%	1.07%	0.42%	88,464	3.0%	3.0%	0.93%	2.01%	2.46%	N/A	N/A
90 Day T-Bill				0.92%	0.32%				0.83%	1.75%	2.15%	N/A	N/A
<b>TOTAL RISK MANAGEMENT FUND</b>	<b>3,732,350</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.89%</b>	<b>0.80%</b>	<b>2,950,425</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.47%</b>	<b>2.37%</b>	<b>5.76%</b>	<b>N/A</b>	<b>N/A</b>
POLICY TARGET BENCHMARK				1.09%	0.55%				0.90%	2.00%	6.01%	N/A	N/A

**NOTE: Monthly returns and market values are preliminary and subject to change.**

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.